



February 13, 2018

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**PSC SC
MAIL / DMS**

Ms. Jocelyn Boyd
Chief Clerk and Administrator
South Carolina Public Service Commission
101 Executive Center Drive
Suite 100
Columbia, SC 29210

Dear Ms. Boyd:

Pursuant to Commission Order No. 2015-423, Chem-Nuclear Systems (CNS) is submitting the attached monthly report of variable cost data to the Commission. By copy of this letter we are also submitting this report to the Office of Regulatory Staff (ORS).

The enclosed preliminary monthly report of variable cost data covers the month of January. This report is similar in format to information that has been provided to the ORS in support of the ORS audits of CNS' allowable costs. The monthly data will be summarized on an annual basis to develop variable cost rates that can be used as one predictor of variable costs.

Sincerely,

A handwritten signature in black ink that reads "Benjamin S. Smith".

Benjamin S. Smith, P.E.
Director, Barnwell Operations

Enclosure

c: Jay Jashinsky, Office of Regulatory Staff
Anthony Sandonato, ORS/Energy
Deborah Ogilvie, EnergySolutions

Variable Costs:

Variable Labor and Non-Labor Costs for January 2018

Commission Order No. 2015-423 identified the following categories of rates for projecting Variable Labor and Non-Labor costs: vault purchase and inspection (per vault), ABC waste disposal (per shipment), slit trench operations (per slit trench offload), customer assistance (per shipment), and trench records (per container).

The following table illustrates the Variable Labor and Non-Labor costs that would be calculated using the Variable Labor and Non-Labor rates identified in Commission Order No. 2017-378 for Fiscal Year 2017-2018 and the number of units in each category:

	Units	Variable Cost Rate in Order No. 2017-378	Calculated Cost
Vault Purchase and Inspection (per vault)	6	\$209.82	\$1,258.92
ABC Waste Disposal (per shipment) (total shipments, less slit trench shipments, less irregular project shipments)	5	\$1,904.32	\$9,521.60
Slit Trench Operations (per slit trench offload)	0	\$37,425.65	\$0
Customer Assistance (per shipment)	5	\$47.96	\$239.80
Trench Records (per container)	6	\$398.71	\$2,392.26
Total Calculated Variable Labor and Non-Labor Costs			\$13,412.58

The actual Variable Labor and Non-Labor costs experienced during the month resulted in a Total Variable Labor and Non-Labor cost of \$23,465.17

Vault Costs for January 2018

The following table illustrates the vault costs that would be calculated using Variable Cost rates identified in Commission Order No. 2017-378 for Fiscal Year 2017-2018 and the volumes of waste received in each respective category:

	Volume Received cubic feet)	Variable Cost Rate in Order No. 2017-378	Calculated Cost
Class A Waste	341.60	\$44.80	\$15,303.68
Class B Waste	240.60	\$52.62	\$12,660.37
Class C Waste	0	\$52.68	\$0
Slit Trench Waste	0	\$196.44	\$0
Irregular Components (in vaults as an irregular cost)	0	\$0	\$0
Irregular Components (not in vaults)	0	\$0	\$0
Total Calculated Vault Cost			
Total Volume	582.20		\$27,964.05

Cost incurred for disposal vaults procured: \$6,937.44